

The proposed amendment corrects an error in Resolution 31551 to clarify that limitations on other subsidy would apply to the performance option. Proposed amendments are shown in track changes.

Section 2. Program Parameters. The Council requests that the Department of Planning and Development (DPD) and the Office of Housing (OH) develop, in cooperation with the Council, a proposed council bill to implement the Program, subject to the following parameters.

c. Performance. For commercial and residential development, the Program should provide the option of onsite or nearby performance in an amount roughly equivalent to the fees. Under the performance option, affordability levels for studios and one bedrooms should be lower than affordability levels for other units. The Council will consider whether replacement or preservation of existing units affordable to existing low and moderate income households should be a means to perform. Generally, the Program should limit performance to units in projects not receiving other subsidies. However, the Council will consider exceptions for tax exemptions for multifamily development authorized by Revised Code of Washington Chapter 84.14, four percent low income housing tax credits authorized by Section 42 of the Internal Revenue Code, and tax-exempt bonds.

d. Use of Revenue. OH should develop policies for approval by the Council for use of Program revenue. Those policies should reflect the findings of the nexus analysis, which quantifies impact by income category. Among other things, policies should establish:

1. Use of fee revenue to serve higher need worker households consistent with the nexus analysis; policies should specify an amount of Program revenue, determined by the nexus analysis, to be expended on units for households earning between 60% and 80% of Area Median Income and on units for households earning less than 60% of Area Median Income;

2. Where projects funded by Program revenue can be located;
3. Guidelines for expenditure of Program revenue, including but not limited to expenditure of Program revenue on family-sized units;
4. How Program revenue may be used for homeownership units; and
- ~~5. Limitations on how Program revenue can be used in conjunction with other subsidy sources, with consideration given to use of Program revenue in conjunction with tax exemptions for multifamily development authorized by Revised Code of Washington Chapter 84.14, four percent low income housing tax credits authorized by Section 42 of the Internal Revenue Code, and tax-exempt bonds.~~